



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-201-847]

#### **Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Mexico: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2019-2020**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** The Department of Commerce (Commerce) preliminarily determines that the producers/exporters of heavy walled rectangular welded carbon steel pipes and tubes (HWR pipes and tubes) from Mexico subject to this administrative review made sales of subject merchandise at less than normal value (NV) during the period of review (POR) September 1, 2019, through August 31, 2020. We invite all interested parties to comment on these preliminary results.

**DATES:** Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

**FOR FURTHER INFORMATION CONTACT:** David Goldberger or William Miller, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4136 or (202) 482-3906, respectively.

#### **SUPPLEMENTARY INFORMATION:**

##### Background

On October 30, 2020, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review of HWR pipes and tubes from Mexico.<sup>1</sup> This review covers 11 producers and exporters of the subject merchandise. Commerce selected two companies, Maquilacero S.A. de C.V. (Maquilacero) and Productos Laminados de

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 68840 (October 30, 2020).

Monterrey S.A. de C.V. (Prolamsa), for individual examination. The producers and/or exporters not selected for individual examination are listed in the “Preliminary Results of the Review” section of this notice.

On May 5, 2021, pursuant to section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(h)(2), Commerce extended the time limit for issuing the preliminary results of this administrative review to September 30, 2021.<sup>2</sup>

#### Scope of the Order<sup>3</sup>

The products covered by the *Order* are heavy walled rectangular welded steel pipes and tubes from Mexico.<sup>4</sup> Products subject to the *Order* are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item number 7306.61.1000. Subject merchandise may also be classified under 7306.61.3000. Although the HTSUS subheading and ASTM specification are provided for convenience and for customs purposes, the written product description remains dispositive.

#### Partial Rescission of Review

Pursuant to 19 CFR 351.213(d)(1), Commerce will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. On January 28, 2021, Nucor Tubular Products Inc. (Nucor), timely withdrew its requests for an administrative review on the following nine companies: Arco Metal S.A. de C.V.; Forza Steel S.A. de C.V.; Industrias Monterrey, S.A. de C.V.; Perfiles y Herrajes LM S.A. de C.V.; PYTCO S.A. de C.V.; Regiomontana de Perfiles y Tubos S.A. de C.V.; Ternium S.A. de C.V.; Tuberia Nacional S.A de C.V.; and Tuberias Procarsa S.A. de C.V. No other party requested a review of these nine

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<sup>2</sup> See Memorandum, “Extension of Deadline for Preliminary Results of the 2019-2020 Antidumping Duty Administrative Review,” dated May 5, 2021.

<sup>3</sup> See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea, Mexico, and the Republic of Turkey: Antidumping Duty Orders*, 81 FR 62865, 62867 (September 13, 2016) (*Order*).

<sup>4</sup> For a complete description of the scope of the *Order*, see Memorandum, “Decision Memorandum for the Preliminary Results of the 2019-2020 Administrative Review of the Antidumping Duty Order on Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Mexico,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

companies. Accordingly, we are rescinding this review, in part, with respect to these companies, pursuant to 19 CFR 351.213(d)(1).

### Methodology

Commerce is conducting this review in accordance with sections 751(a)(1)(B) and (2) of the Act. Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice.

### Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the period September 1, 2019, through August 31, 2020:

<b>Producers/exporters</b>	<b>Weighted-average dumping margin (percent)</b>
Maquilacero S.A. de C.V.	0.74
Productos Laminados de Monterrey S.A. de C.V.	1.33

### Disclosure and Public Comment

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.<sup>5</sup> Interested parties may submit case briefs or other written comments to Commerce no

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<sup>5</sup> See 19 CFR 351.224(b).

later than 30 days after the date of publication of this notice.<sup>6</sup> Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the deadline for filing case briefs.<sup>7</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>8</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>9</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically via ACCESS within 30 days after the date of publication of this notice.<sup>10</sup> Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, parties will be notified of the time and date for the hearing.<sup>11</sup>

An electronically-filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless otherwise extended.<sup>12</sup>

#### Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.<sup>13</sup>

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<sup>6</sup> See 19 CFR 351.309(c).

<sup>7</sup> See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>8</sup> See 19 CFR 351.309(c)(2) and (d)(2).

<sup>9</sup> See 19 CFR 351.303.

<sup>10</sup> See 19 CFR 351.310(c).

<sup>11</sup> See 19 CFR 351.310(d).

<sup>12</sup> See section 751(a)(3)(A) of the Act.

<sup>13</sup> See 19 CFR 351.212(b).

Pursuant to 19 CFR 351.212(b)(1), where Maquilacero and Prolamsa reported the entered value of their U.S. sales, we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the examined sales to the total entered value of the sales for which entered value was reported. Where Prolamsa did not report entered value, we calculated the entered value in order to determine the assessment rate. Where either the respondent's weighted-average dumping margin is zero or *de minimis* within the meaning of 19 CFR 351.106(c)(1), or an importer-specific rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

Commerce's "automatic assessment" practice will apply to entries of subject merchandise during the POR produced by Maquilacero or Prolamsa for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>14</sup>

Commerce intends to issue assessment instructions to CBP no earlier than 41 days after the date of publication of the final results of this review in the *Federal Register*, in accordance with 19 CFR 356.8(a). If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

For the companies for which we have rescinded this administrative review, antidumping duties shall be assessed at rates equal to the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). Commerce intends to issue appropriate assessment instructions

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<sup>14</sup> For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

directly to CBP no earlier than 41 days after the date of publication of this notice in the *Federal Register*.

#### Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the companies listed above will be equal to the weighted-average dumping margin established in the final results of this review, except if the rate is less than 0.50 percent and, therefore, *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for previously reviewed or investigated companies not covered in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment in which the company was reviewed; (3) if the exporter is not a firm covered in this review, a prior review, or the original less-than-fair-value (LTFV) investigation, but the producer is, then the cash deposit rate will be the cash deposit rate established for the most recently completed segment of this proceeding for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 4.91 percent, the all-others rate established in the LTFV investigation.<sup>15</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

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<sup>15</sup> See *Order*.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: September 30, 2021.

**Christian Marsh,**  
*Acting Assistant Secretary  
for Enforcement and Compliance*

## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the *Order*
- IV. Discussion of the Methodology
- V. Currency Conversion
- VI. Recommendation

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